

NEWS from



Bill Postmus

Supervisor, 1st District

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SUPERVISORS VOTE 3-2 TO OPPOSE HESPERIA TAX BILL; POSTMUS SIDES WITH HESPERIA IN EFFORT TO INCREASE REVENUES FOR ROADS

SAN BERNARDINO—On a 3-2 vote, The San Bernardino County Board of Supervisors for the second time voted to oppose a legislative effort by the City of Hesperia to increase the amount of ad valorem property tax revenue it keeps for local road and flood control projects versus what is taken by the County.

The Board voted to oppose Assembly Bill 1378 (Wyman), which would require the county to increase Hesperia's tax share from the current 1.77 percent to 10 percent over a four-year period. This amount would still fall short of the average amount received by cities in San Bernardino County—13.9 percent.

First District Supervisor Bill Postmus said he is encouraged that the Hesperia bill received two votes in favor from the Board of Supervisors, calling it "an improvement from two years ago, when an identical bill was opposed 5-0 by the Board." He added that the County's opposition, while hurting the bill's chances, will not necessarily result in its defeat. "The closeness of the Board vote could help," Postmus said.

AB 1378 will be heard by the Assembly Local Government Committee Wednesday at the State Capitol in Sacramento.

The City of Hesperia has for several years attempted to rectify its inequitable tax split formula with County officials, said Postmus. "AB 1378 would simply require that the County correct a mistake--an injustice of the past by giving the City a fair share of its own tax dollars back, like we do with other cities," Postmus said.

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"This money does not belong to the county," Postmus added. "It belongs to the taxpayers of the City of Hesperia, who incorporated their city in order to improve public services and their quality of life."

Postmus said that when the city incorporated in 1988, it inherited over 473 miles of neglected and deteriorating roads, yet the county gave the city one of the lowest shares of property taxes received by any of the county's cities. He cited the State Controller's California Cities Annual Report (1997-1998), which stated that Hesperia's per-capita general revenues were the second lowest in the county at \$126. The County average per capita amount is \$273.

Postmus added that AB 1378 would require that the additional funds be used for local road or storm drainage projects, and that the city pay any state-mandated costs associated with the bill from its first-year share of increased property taxes.

He pointed out that the city of Hesperia had previously decided not to join a lawsuit against the County by the cities of Highland and Yucaipa in the late 1980s that rectified their tax inequities. The bill does not attempt to recapture any lost revenue from the effective date of the Highland-Yucaipa Case. It would instead simply rectify the inequity going forward, Postmus said.

Third District Supervisor Dennis Hansberger, who joined Postmus in voting to support Hesperia's bill, pointed out the fact that other cities, through litigation or legislation, have improved their tax allocations with the County. Chino Hills, for example, received county support for a successful 1998 bill that increased Chino Hills' property tax share from commercial and industrial properties.

"In the past there have been cities that couldn't negotiate a fair allocation. They sued the county, and in virtually every case they won," Hansberger said. "In the case of the Chino Hills the county was good enough to sit down with them and negotiate a settlement that addressed their problem specifically.

"Simply saying 'no' falls short of what our responsibility is," Hansberger added. "I believe there is some merit to their representation that their allocation is inappropriate."

"Hesperia could have gone to the courts, but it chose not to," Postmus added. "Many of the City's past efforts to negotiate a resolution with the county have failed. Legislation will help bring this conflict to an end, as it did in the City of Chino Hills. With the Legislature's help, we can move forward and resolve this issue this year once and for all."